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Organizing for National Security

Philip A. Odeen

One of the most critical decisions a new president must make during the two months prior to his inauguration is the manning and structuring of the National Security Council staff and the network of other security agencies. In that regard, the newly-elected President confronts a variety of questions:

- Who will be the President's Assistant for National Security Affairs?
- What will his role and priorities be?
- What qualifications will be sought for membership on the NSC staff?
- How large will the staff be?
- How will the NSC system be structured?

These issues have become especially significant in light of the prominent role the President's Assistant for National Security Affairs and his staff have played in recent administrations. The reasons go beyond the personal prominence of Henry Kissinger and Zbigniew Brzezinski. There are at least three other influences that have made the NSC staff central to making and executing national security policy:

- The increasing frequency of the President's direct involvement in foreign policy, as in summit talks such as the Camp David negotiations.
- The emergence of a new class of security issues that cut across traditional boundaries to include for instance, energy and economic policy. The more comprehensive character of national security today represents a marked change from the range of issues facing the NSC in the 1950s and 1960s.
- The growing interdependence and complexity of traditional security problems. Pure foreign policy or even foreign policy/defense problems rarely exist. In most cases domestic politics are involved.

For these reasons the next administration should focus early on the structure and functions of the NSC system, whether or not the incumbent is elected. The short period between election and inauguration requires critical organizational and staffing decisions. Advance thinking will pay off handsomely.

Each president since World War II has brought a different approach to the management of national security affairs. The NSC has normally served as the top-level decision forum, while the Assistant to the President for National

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Security Affairs and his staff served as coordinators of the process as well as personal advisors to the President. The way the institutions of the NSC system have been used has varied widely, however, reflecting each president's personal management style, his executive experience, the personality of the National Security Assistant and, to a lesser extent, security problems inherited at the moment of taking office.

Most presidents have favored, at least nominally, cabinet government when they initially structured their administrations. Background briefings and press releases usually have spoken of the new, important, and independent roles given to the "outstanding individuals" selected to head the major departments. The presidents have recognized, however, that there are some substantive areas as well as certain crisis situations in which control, or at least detailed involvement by their staff is essential. A clear example of such an area is arms control. A White House-directed interagency SALT process is necessary because the issues often affect several departments. These issues are highly contentious, and they are of such political importance that the President and his key advisors are inevitably involved.

There is no ideal system for managing national security policy. Each president will tailor a system to reflect his unique needs and style. In some cases he may desire a very structured system; in others a highly informal approach. Nonetheless, a degree of planned structure is essential in any president's national security system, regardless of his philosophy. Experience suggests that every administration must consider the following:

—Some issues demand presidential decisions. Issues such as MX basing and SALT policy critically affect the President and his administration and, therefore, are simply too important for cabinet officers alone to decide.

—Presidential decision issues are inevitably complex. Both the organizational structure and the deliberative processes must ensure that a full range of options is developed and that the President addresses them early enough to have a real choice. In addition, rigorous analysis of the options is needed to permit an informed decision by the President.

—On many issues, one department has primary responsibility, but other departments may have legitimate roles and interests. For example, decisions about theater nuclear weapons have implications for the Department of Defense, Department of State and the Arms Control and Disarmament Agency. Unless the structure and processes ensure that all these agencies have their say, poorer decisions may result, and the level of discontent and discord within the administration will increase.

—Policy execution as well as policymaking must receive attention. The system should include the regular involvement of the bureaucracy in policymaking as a way of securing commitment to its successful execution. Such commitment also requires the clear communication of decisions, full knowledge of follow-up responsibilities and the expectation of high-level reviews of the implementation. These conditions will increase the probability of effective policy execution and will also reduce the appearance of dissension and poor discipline in the affected agencies.

But detailed involvement by the President's staff in some areas need not dictate involvement across the board. The challenge in organizing a national security policy coordinating system is to be selective in determining where centralization is essential and where decentralization makes sense. In making these choices, the President must deal with the inevitable tension between departmental leaders and his immediate staff. How these tensions are resolved determines to a great extent the character of the national security policy process.

In structuring the next NSC system, three issues deserve particular attention:

—The role assigned the Assistant to the President for National Security Affairs and his staff. Especially critical is the stress given the institutional functions of the NSC staff, i.e., identifying issues and forcing decisions, managing the interagency decision process, and overseeing implementation. Too much emphasis on policy advice and too little on these institutional functions would be a mistake.

—Planning for the crises that every administration inevitably faces. When crises occur we seldom are well prepared, contingency plans often are seriously inadequate and, as a result, we respond in an *ad hoc* way and take too long to develop a coherent response.

—Coordinating security policy. State, Defense, and ACDA must work together closely and effectively if defense policies and programs are to be consistent with our foreign policy and arms control goals. Current processes do not perform this task well.

The Role of the National Security Advisor and the NSC Staff

There is neither a magic structure nor an immutable role for the President's Assistant for National Security Affairs and the NSC staff. Rather, these roles

depend on the needs of the principals. The NSC staff must perform at least two basic functions if it is to serve the President effectively. They are:

—*Advising the President.* Staff members must support the President according to his management style and personal desires. These considerations affect the issues they address, the detail they provide, and the extent to which they serve as advocates, as distinguished from process managers.

—*Carrying out institutional functions.* The NSC staff should provide more than personal staff assistance to the President. For example, the NSC staff must raise critical issues for the President's review and ensure that his policies are executed by the departments. This is their institutional role and must be exercised in addition to the personal advisory role.

President Carter has put particular emphasis on the NSC's personal advisory function, requesting independent ideas and analyses from his staff. Nevertheless, the institutional function must not be neglected. In forging a strong institutional role for the NSC, the responsibilities of policy development, of forcing decisions on major issues, of decision-process management, and of ensuring that decisions are implemented, will be devolved to that organization. A more detailed look at these institutional functions is in order.

DEVELOPING POLICIES

A major effort normally occurs in the early months of an administration to review and revamp existing national security policies. Under Mr. Carter, some 30 Policy Review Memoranda (PRMs) were issued in the first half of 1977, over half of them during the President's first week in office. A similar pattern was seen under Nixon when nearly 100 studies were initiated in the early weeks of his first term. As might be expected, this intense policy review process slows after the administration addresses the most salient problem areas and determines its policy initiatives. At that point, emphasis shifts to day-to-day issues, program decisions, and policy implementation. The NSC staff normally plays a leading role in policy formulation; the relevant agencies meanwhile, are deeply involved in formulating the alternatives and doing the analyses.

FORCING DECISIONS ON MAJOR ISSUES

Helping the President cope with a heavy flow of issues demanding decisions is also a basic function for the NSC staff. Yet it has a greater responsibility to identify the major issues in advance that will require the administration's

attention, and then to ensure that they are adequately addressed. This is often more difficult than it would appear, given the reluctance of the departments to expose some issues to presidential scrutiny, the political costs that often are involved in tough issues, and the demanding pace of routine business. It is the final point that often proves to be the most significant. Important questions are often not immediately pressing and therefore not seen as critical. (The opposite is often true—that the seemingly critical issues are frequently not truly important, although they may seem so at the time.)

Some issues that have received inadequate attention over recent years, issues in which the NSC could be playing a major role in forcing decisions, include the following:

—The future size and roles of the U.S. Navy remain largely unresolved, and these questions have not been addressed adequately even within the Department of Defense. The problem is widely recognized, and several efforts have been made to bring it into focus. Admittedly, it is probably the most difficult and contentious issue facing security planners, but it deserves greater attention and higher priority than it has received.

—There are force-structure issues that affect our ability to execute foreign policy, such as the adequacy of our strategic airlift and sealift capabilities. Questions of this type deserve greater attention, either within the NSC system or between the White House staff and Department of Defense, to ensure that the President's priorities are considered when program choices are made.

—While less immediate, there is growing concern over the long-term implications of procuring relatively few costly high-technology weapons rather than larger numbers of less sophisticated ones. This emphasis on technology may be desirable from a purely military viewpoint but could have major foreign policy implications. The inevitable result will be smaller forces and fewer weapons. This will almost certainly increase pressures to reduce overseas deployments and reduce our ability to deploy military force in critical areas to protect U.S. interests.

—The interaction of energy and national security has received little systematic attention. Each has until recent years been thought to be independent, yet their relationship is clear and we are now learning how important energy is to our position in the world.

—Some of the most difficult problems facing the military revolve around compensation and the cost of maintaining quality and motivated troops. These are all issues in which the NSC can and should be involved.

MANAGING THE DECISION PROCESS

In refining policies or emphasizing specific issues, the NSC staff must manage the interagency process to ensure that sound decisions are made. This requires determining the appropriate forum—interagency, bilateral, or a single department; ensuring consideration of all realistic options, not just those proposed by the bureaucracy; pressing for good analysis and exposing it to sharp criticism; and presenting cogently the options and analyses to the decision-makers.

Such management was a major focus of the NSC staff under Kissinger but has received less attention under Brzezinski. Among the criticisms of the low priority currently given to managing the decision process are the following:—Coordinated interagency papers are seldom available as the basis for key meetings. When papers are provided, they are usually the product of one department, and little effort is made to integrate other agency views or options. While this is in part the result of a conscious effort to give the agencies more responsibility, the results have often been that the real issues are not clear and the meetings are not as productive as they should be.

—The quality of the analysis is uneven. There are few systematic joint analyses or coordinated studies designed to sharpen issues or clarify the assumptions and data that underlie the analyses.

—The number of interagency meetings involving senior officials is excessive and the frequency rose from seven per month in 1977 to eighteen per month in the first seven months of 1979. As a result, attendees do not have adequate time to prepare, and meetings often fail to reach firm conclusions or recommendations.

—The materials developed for the President's review often do not facilitate his decision-making. For example, during his final review of the FY 1980 Defense Budget, the President had to work from three separate books: one each from Defense, the Office of Management and Budget (OMB), and the NSC staff. Moreover, the issues were not uniformly presented nor the facts agreed upon. This situation puts an inordinate burden on the President.

Managing the decision process is a time-consuming and demanding, but important task. Unless it is done well, poor decisions are likely to be made and excessive time required of the President and the cabinet. The reduction in the size of the NSC staff under Brzezinski could explain why this task has received inadequate attention in recent years. But inadequate process management may also be a price President Carter has paid for asking the NSC staff to give priority to policy advocacy and personal staff support.

ENSURING THAT DECISIONS ARE IMPLEMENTED

The final institutional task of the NSC staff is to ensure that the President's policies and decisions are carried out. This involves clearly communicating the decisions (and why they were made) to the rest of the government and then overseeing their execution. It is in this area that the Carter White House and staff is most consistently faulted.

An illustrative weakness of the NSC staff in this area is its failure to obtain prompt action on the formation of a rapid deployment force, which has been a priority goal of President Carter since the early days of his administration. Confusion and controversy over the execution of the President's policies on human rights, arms sales reductions, and nuclear-test negotiations also present problems. Other shortcomings include such simple matters as failure of the NSC staff to follow up meetings with a listing of the major conclusions and recommendations, the further work to be done, assigned responsibilities, and due-dates. Furthermore, over-reliance on informal processes to make decisions (e.g., Presidential breakfasts or Vance/Brown/Brzezinski lunches) may be another reason why policy decisions are not systematically translated into action.

A further impediment to implementation in the Carter White House is that the NSC staff itself appears to emphasize its policy formulation role. This may have been appropriate in the early days of the Administration. However, once the major policy debates ended, the White House staff needed to give greater priority to execution and follow-up. The President recognized this weakness in domestic policy implementation, and he appointed a Chief of Staff. The same priority to implementation should be given for national security.

Planning for Crises and Conflicts

The NSC staff should manage contingency planning for the seemingly inevitable foreign crises, or for those situations in which U.S. military force may be committed. Almost as inevitable as the crisis itself is the discovery after the fact that we had either not anticipated it or had not planned adequately to avoid hasty, *ad hoc* reactions that come to be seen as ill-advised. The departments must do the detailed preparatory work; but the NSC staff should ensure that the planning is undertaken, provide guidance on the types of crises to be anticipated, posit critical assumptions, and review the results.

Crisis planning is a demanding and often unrewarding effort. It is difficult to anticipate the locations or the nature of specific crises, let alone the sequence of events. As a result, potential participants often underestimate the value of planning in the mistaken belief that forecasting is futile. In many instances, the payoff is not in the plan itself but rather in the process, resulting in the questioning of assumptions, in sharpened perceptions of U.S. interests and options, and in familiarization with other agencies' personnel and resources.

In the Defense Department, top civilians have little involvement in planning for the actual use of military force, as compared with their extensive involvement in policy, programs, and budgets. Contingency planning is largely restricted to a limited group of military officers. Within the NSC staff, State Department and other non-defense agencies, planning for potential crises gets little attention, and only rarely is it done on an interagency basis. The ensuing lack of complementary policy options (political, economic, and military), let alone sound military options, has at times slowed our response to a crisis or led to actions that, in retrospect, were seriously flawed.

The reasons for insufficient high-level attention to crisis planning go beyond the difficulty of the process and of the normal preoccupations of the leadership. Crisis planning is a sensitive process; leaks can cause serious political problems or even trigger a crisis that the planning was intended to avoid or contain in the first place. The challenge is to improve and broaden planning by providing a greater and sustained leavening of political/economic/foreign policy considerations and options, without compromising the security of the plans or unduly complicating the problems of the military commands.

There are two separate but closely related aspects of crisis planning: providing national and foreign policy guidance for the military's planning effort and adding political and economic options to military ones, through interagency planning.

PLANNING WITHIN DEFENSE

Planning for the use of forces in a variety of situations is the province of the Joint Chiefs of Staff (JCS) and the Unified and Specified Commands. Given the tradition of military responsibility, plus the sensitivity of the documents, the JCS/CINCs vigorously defend their exclusivity.

This process has been sharply criticized. The Ignatius, Steadman, and

Brehm (Nifty Nugget) reports all recommend broader civilian participation in military planning, setting policy, and reviewing results. These recommendations do not arise from failures on the part of military planners, but rather from the view that results would be improved by limited but systematic inclusion of political/economic/foreign policy advice. Several shortcomings of the present system are cited:

—Planning may not cover a likely crisis situation that happens not to involve either countries that face overt military threats or countries that are allied with the United States.

—Scenarios and assumptions for crises may not be accurately defined, the degree or nature of support expected from other nations may be unrealistic, or political constraints (e.g., on overflight rights, use of bases, etc.) may not be fully taken into account.

—The military alternatives presented are too few. Political realities may dictate adding more limited military options, using allied forces, or considering what may be less than optimal actions from a military point of view.

In response to these criticisms, the Defense Department has taken steps to integrate foreign policy considerations into the military planning process, as well as to provide a limited review by responsible senior officials. Secretary Brown directed the Under Secretary of Defense for Policy to initiate such a process, but it was slowed by Stanley Resor's resignation. The recent appointment of Robert Komer has resulted in renewed efforts. The concerns of the various studies are also shared by the Chairman of the Joint Chiefs of Staff. And he took the positive step to establish an internal Crisis Planning and Assessment Group. This group will consider political/foreign policy influences and will tap the expertise of the Washington foreign policy/ intelligence community. Interagency planning is the second aspect of crisis planning that requires renewed attention. Little crisis planning is now done beyond the Defense Department's military planning. Recent efforts to draw in civilian defense officials, to specify areas and scenarios, and to review plans for selected, high-risk situations are useful steps forward. What this innovation fails to do is to add non-military options or force the White House, State, Treasury, and other agencies to engage in systematic contingency planning. In many areas, such as in the less developed countries, political and economic rather than military actions could well prove to be the most useful. Despite the fact that these call for a lesser U.S. commitment, we give them insufficient attention.

There have been times when interagency planning was undertaken, usually in the aftermath of a crisis for which we were ill-prepared. All were short-lived:

—In the mid-1960s, after the Dominican Republic intervention, a State/Defense/JCS planning group was established.

—In the wake of the 1969 EC-121 incident with North Korea, the Washington Special Action Group (WSAG)¹ selected a number of potential crises for joint planning. A high-level JCS/Defense/State planning group was formed. At the same time, Defense Secretary Laird directed his staff to assess selected JCS contingency plans because of his dissatisfaction with the options available when the crisis occurred.

—In 1973, the NSC Contingency Planning Working Group (CPWG), under the chairmanship of the Secretary of State and including members from JCS and the Central Intelligence Agency, was established.

Similarly, greater attention has been given to these matters by the Carter Administration in the light of the Iranian situation. An *ad hoc* interagency group looked at possible trouble spots, reviewing U.S. objectives and policies, sorting out options, and taking steps for better preparation. This was a much-needed initiative, but it already appears to be waning for lack of continuing high-level support. Sustaining high-quality interagency planning for potential crises is difficult. The pattern seen in the past seems inevitable: problem identification, a brief period of high-level attention, loss of interest, and then loss of momentum. To break this cycle, a new, more structured approach is needed.

A particular challenge for the planning of future crises is to involve the domestic agencies, where appropriate. Treasury should often be involved, but is usually reluctant. Its hesitancy is due in part to doubts that the government should even consider economic actions (e.g., freezing of assets, trade cutoffs, or embargoes) that are seen by internationally-oriented financial officials as unthinkable. Yet, as the Iranian experience has shown, we may be forced to consider them.

Over the long term, an interagency planning effort would be more likely to be sustained if primary responsibility were given to the State Department

1. The WSAG was originally designed by Henry Kissinger to plan for potential crises and conflicts. In practice, it was primarily used to manage them once they developed. It was chaired by the Assistant to the President for National Security Affairs and included the Deputy Secretaries of State and Defense, the Chairmen of the JCS, and the Director of the CIA.

and if the process were managed by a DoS-chaired interagency committee. The actual planning would be done by regional Interdepartmental Groups led by the appropriate Assistant Secretary of State. Their charter could include sufficient authority to consider the full range of governmental responsibility and activity as well as to develop a variety of potential courses of action. Membership would include NSC, Defense, JCS, CIA, Treasury, and other agencies (e.g., the Department of Commerce and Energy), as appropriate. The senior committee would provide these groups with a limited number of critical situations to consider. It would also periodically (at least annually) review the planning of each group, to ensure its consistency with the views and policies of the principals and to make certain that the regional interdepartmental groups give this planning process the high priority it deserves.

Coordinating Security Policy

In addition to playing a leadership role in areas of particular concern to the President, the NSC staff and system must ensure that the departments and agencies work together when their interests and responsibilities overlap. Improved processes for integrating foreign policy and arms control considerations with Defense decision-making are necessary and are likely to be more critical in any new administration where relations between the Secretaries of Defense and State may not be as close as they are between Brown and Vance. Moreover, ties will be needed in the future for substantive reasons quite apart from personalities:

—When the SALT process is renewed, systematic consideration of the interaction between weapon developments and negotiating objectives will be essential. Such consideration early in SALT I might have led us to a strategy other than insistence on protecting our MIRV programs. Failure to limit MIRVs then is now enabling the Soviets to threaten our land-based ICBMs. Yet survivability of our land-based ICBMs was of high priority on the SALT agenda. The next phase of SALT will also involve a new level of difficulty and sensitivity, because it will likely include the concerns of our NATO allies and the political and technical complexities of “grey area” systems.

—Increasingly difficult Defense program/budget choices will face the President and his advisors over the next several years. The growth of Soviet capabilities, coupled with new challenges to U.S. security interests in areas such as the Middle East, will argue for increased defense spending. Yet the

President will face strong political, economic, and monetary pressures to hold down the defense budget. Decisions on the overall level of spending as well as on priorities among costly new defense programs underway—strategic missiles, Navy ships, new tactical air and Army weapons, improved C³, and mobility—must be made on the basis of the President's overall national priorities, not just on those of the Defense Department.

—Potential areas of crisis or conflict over the next several years, such as the Middle East and Latin America, will require coordinated attention to political and foreign policy factors as well as military plans. Significant contributions from area experts will be needed to identify threats to U.S. interests, and ways to protect those interests, given existing circumstances and constraints.

Timing is important in systematic exchanges of views among Defense, State, and ACDA staffs. If decision-makers learn of a serious foreign policy or arms control problem late in the decision process, the required adjustments are likely to be costly in terms of time, money, or diplomatic ramifications.

Interactions between State, Defense, ACDA, and the White House are numerous. In three areas, defense policy formulation, major weapons development decisions, and defense programs and budget decisions, effective integration could significantly enhance our security posture.

DEFENSE POLICY

Clear and well-formulated Defense policy affects the overall force, weapon, and dollar requirements, establishes priorities when difficult choices must be made, and provides a basis for justifying the administration's posture, program, and budget to the Congress and the public. The Defense Department has a formal process to develop and update its basic policy document, the Consolidated Guidance (CG). This is a compendium of policy, programming, and fiscal guidance issued by the Secretary. While many elements of the CG are relevant and useful only to Defense, both State and ACDA have interests in certain parts. Yet, no systematic means to incorporate their views have been developed.

Some observers have suggested that a formal NSC review of the document be conducted, perhaps culminating in presidential approval. The need for such a formal process is questionable, however, given the general agreement among agencies on substance. The differences are on priorities and nuances, not basic policy. There is also a problem of time—the principals who participate in NSC meetings already have extraordinary demands on their schedules. A better solution, therefore, would be a low-key but ongoing process

that ensures careful consideration of the views of State/ACDA/OMB/NSC. This process should settle as many issues as possible at the sub-cabinet level, keeping to a minimum the number of issues to be addressed by the NSC principals and the President. The Under Secretary of Defense for Policy is the obvious choice to manage this process, although the NSC staff also should be involved—both for substantive and process reasons. NSC involvement will be particularly important if a new president is elected in November. He will wish to ensure that the Defense Department's planning is consistent with his policies and priorities. A careful NSC staff review of the CG is a good medium by which to accomplish this.

WEAPON ACQUISITION

The Defense Department uses a separate management process to make major decisions on weapons—the Defense Systems Acquisition Review Council (DSARC). In an effort to speed and improve weapon development and production decisions, over the past two years Defense has revamped its internal organization and decision-making process. The post of Under Secretary for Research and Engineering was created, placing all the critical phases of the multiyear development and production process under a single, high-level official. In addition, the DSARC process has been modified to ensure that all relevant cost, schedule, and performance factors, as well as actual needs, are considered.

Despite these changes, foreign policy and arms control considerations are not a systematic part of the process. The Assistant Secretary of Defense for International Security Affairs (ISA) participates in DSARCs that relate to NATO issues and figures significantly in selected cases such as the MX missile. White House staff representatives also attend some DSARCs. However, other departments make no regular contribution to decisions on such major weapons as the B-1 bomber or the MX missile. In these two cases, OMB and the NSC were major participants. Neither State nor ACDA participated in the B-1 decision, and they had little involvement in the preliminary defense studies of MX. They did, however, participate actively in the final, decisive interagency meetings on MX, when major decisions were imminent.

ACDA and State are concerned about the lack of an early and institutionalized opportunity to raise questions about such major weapon developments. Indeed they should have a voice in the deliberations so that changes in direction, if necessary, can be made before great momentum builds for a particular development program.

In some instances, a more formal presidential review will be necessary. Decisions as momentous as the MX will inevitably require the President's involvement at key stages, and as a result the White House staff will participate, along with State and perhaps ACDA. But even in these cases, the processes tend to be *ad hoc* and disorderly, more reactive than anticipatory.

The number of weapon developments of interest to State and ACDA is small. The obvious cases are new, strategic, or space weapons, theater nuclear forces, and selected weapons with unusual political impact. In a few cases developments might impinge on arms control negotiations (e.g., chemical warfare/enhanced radiation weapon systems or antisatellite weapons), thus warranting State and ACDA involvement. But of the 80 or 90 weapons under the purview of the DSARC at any one time, probably no more than 10–20 percent would justify interagency consultations.

There are several ways to involve interagency and White House thinking in weapon acquisition decisions. Defense might establish an interagency committee, chaired by a senior defense official, to routinely consider the arms control and foreign policy implications of upcoming DSARC decisions. State, ACDA, OMB, and NSC staffs could all participate. This approach would incorporate foreign policy and arms control considerations into weapon acquisition decisions, particularly in the early phases. It also would alert the President's personal staff to potential weapon development problems, should he wish to be involved.

In addition, a regular NSC review of major weapon developments should be scheduled once or twice a year. This would identify major areas of particular concern to the President and thereby avoid last minute reversals, such as occurred when the President became involved very late in the neutron bomb issue.

Finally, if this process is adopted, ACDA officials should take the lead in seeking Congressional relief from the statutory provision requiring preparation of Arms Control Impact Statements for submission to Congress. This requirement has been generally recognized as burdensome. Moreover, it does not achieve its objective of giving ACDA an impact on weapon acquisitions. The changes recommended here would do this much more effectively.

DEFENSE PROGRAM AND BUDGET DECISIONS

Development of the five-year Defense Program has essentially been an internal Defense process. White House staff members have been only margin-

ally involved, and State and ACDA even less so. The Defense Department has recently made an effort to include OMB in the process.

The Defense budget review, on the other hand, has long included active OMB participation with the Office of the Secretary of Defense. Other elements of the White House staff are only involved to a limited extent. The NSC and Science Advisor's staffs attend the OMB Spring Planning and Fall Budget reviews as well as meetings where key presidential budget decisions are made. But with the exception of a few specialized areas, such as intelligence, they play a passive role. State and ACDA moreover, are not formal participants in any phase of the budget process.

Despite the relative smoothness of the current process, a number of officials and outside observers question its adequacy. Two basic issues have been raised:

- Does the White House staff ensure that the President is provided with adequate national-security framework within which to make the most critical Defense program/budget decisions each year? Do existing processes enable the President to address adequately other major national security, resource allocation and force structure issues?
- What role should State and ACDA play in ensuring that foreign policy and arms control implications of program/budget issues are adequately included in the process?

Regarding the first set of questions, OMB plays the major role in the President's annual decisions on multiyear fiscal guidance and dollar ceilings for defense. Defense officials and some outside observers question the basis for these overall budget-level decisions, believing that the analysis concentrates too heavily on how much we can afford and too little on how much we need. Deciding how much is enough is a difficult, largely subjective determination. At present, there are no coordinated means by which to make this judgment. OMB manages discussions with the President that lead to budget ceilings, while the NSC reviews national security resource needs for specific areas in its policy studies and crisis/contingency planning. Some regular integrative provision is clearly in order.

Concern has also been raised over the lack of a presidential review of major defense resource allocation and force structure decisions, such as those involving troop deployments to NATO, Navy support of current security policy, and trade-offs involving high-technology weapons. Unless the NSC and OMB undertake a close working relationship, these types of issues are unlikely to be addressed systematically outside of Defense.

The second basic issue for deciding the Defense Department's program/budget involves appropriate roles for State and ACDA. Some program/budget decisions have clear foreign policy or arms control implications, such as decisions on force levels, overseas deployments, and weapon co-production. Current processes may not include such considerations. An important FY 1980 budget issue, for example, was the President's NATO commitment to increase defense spending by three percent in real terms. The central questions were, how firm was the commitment and what impact would it have on the NATO allies if it were not fully executed? The commitment was actively debated within the White House, and between the White House and the Defense Department. It became a major issue in budget meetings with the President. Yet no one in State took part in this debate despite its unmistakable foreign policy overtones. The State Department's primary contribution came late in the budget cycle when Secretary Vance wrote a memo to the President, expressing his concern over the foreign policy impact of a failure to live up to this commitment.

To broaden and further coordinate White House efforts in presidential budget and resource allocation decisions, three new practices should be established:

- A comprehensive review of long-term resource needs in Defense should be made early in the term of the next President. It should be an interagency effort, led by NSC and OMB, to weigh national security needs against domestic priorities and economic policy. Given the adverse situation in Southwest Asia and the continued growth of Soviet military power, this should be given the highest priority.
- OMB should participate more actively in the Defense program review. OMB's major program issues should be part of the Defense issue paper process.
- A major effort should be made to rotate staff between OMB and Defense and within the White House (e.g., between OMB and NSC). This would give the respective staffs a better understanding of one another's problems and viewpoints and would broaden their experience.

Further, to ensure that foreign policy and arms control issues are identified during the program/budget process, a couple of modest changes should suffice, especially if the policy and weapon development processes are broadened as proposed above.

- At the end of the preliminary program decision phase in the Defense Department (roughly August 1), a senior NSC committee should review

the Defense five-year program and address any major policy issues that were not resolved earlier.²

- The NSC staff should participate actively in OMB's budget review process (e.g., the spring and fall reviews) to ensure that budget issues with major foreign policy and arms control implications are identified. NSC staff members should highlight questions needing State or ACDA input and should ensure that this input is provided.

Conclusion

The case has been argued for a Department of State-headed interagency contingency planning committee, whose membership would include the NSC, the Defense Department, JCS, CIA, Treasury, and other agencies, as appropriate, such as the Departments of Energy and Commerce. Such a committee could make substantial contributions to the consistency, thoroughness, and effectiveness of planning in anticipation of crises.

It might be prudent, however, to pilot this structured process before launching it fully. It could be tested using an *ad hoc* interagency group, assigned a few specific contingencies for planning by the NSC. For example, it might start by reviewing and expanding on a study of potential Caribbean problems, which the State Department is already conducting. The interagency effort should be led by a senior State Department or NSC member. Its objective should be to develop a range of options, political and economic as well as military. Throughout, the process should be monitored closely by the NSC and, if successful, serve as the basis for the broader process proposed above.

A critical factor in the success of this effort, especially in drawing the best possible thinking from concerned agencies, will be continued attention from the White House. It must get support from the Assistant for National Security Affairs, and NSC staff members must be involved on a sustained basis—not just as crises heat up. Without such support, the results are likely to be sterile or, at least, short-lived.

The current internal Defense effort to provide policy guidance for military crisis planning can provide realistic assumptions and objectives, as well as

2. For this meeting to be useful, it is important that the issues be selected carefully, concentrating on matters of direct interest to State and ACDA. It is also essential that the meeting be used to help Defense and OMB set priorities and make choices among programs competing for scarce resources, and not simply to press for more.

a critical review. It should be continued and strengthened. As this initiative matures, adequate political/foreign policy considerations will be provided to the Joint Chiefs of Staff without excessive interagency involvement in largely technical military operational planning. This internal process, coupled with the interagency process discussed below, will provide the President with sounder military planning, as part of a range of responses, including political and economic options.

In addition, military plans should be exercised periodically. "Nifty Nugget" underscored the need, with high-level government participation, both to discover shortcomings in planning and to test the capabilities and resources needed to execute existing plans. It would be useful, for example, to test our capability to move major forces quickly to the Middle East. Such a test would inevitably reveal unexpected shortcomings in plans and programs that require prompt adjustments.

Considerable progress has been made in more closely integrating the decision-making of Defense, State, and ACDA. But given the nature of the challenges Defense will face in the 1980s, a more systematic coordination process is required. The recent establishment of the position of Under Secretary of Defense for Policy provides an appropriate DoD official to ensure this added coordination is carried out effectively and without undue bureaucratic burden on Defense.

Such steps proposed to enhance integration of the Administration's national security policies will inevitably involve State and ACDA in areas that Defense now handles relatively independently. If State and ACDA expect to obtain more substantive cooperation from Defense, they will have to reciprocate. For example, Defense has continually sought greater State Department understanding for defense needs and concerns in such areas as foreign training locations, nuclear ship visits, status of forces agreements, base negotiations, foreign force deployments, prepositioning of stocks, and the judicious use of military facilities and equipment for foreign policy purposes. The Defense Department has also sought relief from the burdensome requirements of Arms Control Impact Statements prepared largely by ACDA. These agencies should give priority to being responsive in the areas where Defense needs cooperation and support. And all should coordinate any major statements relating to national security.

Finally, if the Assistant to the President for National Security Affairs and his staff is to serve the President well, three considerations are critical:

- The division of responsibilities between the White House and departments should be delineated as clearly as possible, with a goal of keeping the White House focused on those issues whose impact clearly demands Presidential involvement or which cuts across several departments. Other matters should be left to the departments.
- The President must select people willing to exercise the full range of functions outlined above—institutional as well as personal advisory roles.
- The capability, experience, and effectiveness of the individuals selected for these positions must receive careful attention. They must be protective of the President's interests and loyal, yet able to work well with the Departments.

The pressures of world affairs, closer interrelationships of foreign policy, defense, and economic issues, and the resultant Presidential involvement add up to a pressing demand for an effective national security system and a NSC staff capable of both advising and leading. The President must recognize that if the NSC staff functions only as his personal staff and policy advisor, it will not be serving him optimally.